

POLICIES FOR SALE OF FARM-PRODUCER RENEWABLE ENERGY CERTIFICATES

- 1) CVPS shall acquire tradable Renewable Energy Certificates (“RECs”) issued by the NEPOOL Generation Information System (“NEPOOL GIS”) from farm-producers via contractual agreement. Payment for these RECs shall be made by CVPS on a lagging quarterly basis in accordance with the NEPOOL GIS operating rules (Rule 2.1 and 3.2) to the farm-producer according to the following priorities:
 - A) Payment shall be made to the farm-producer that has been designated by CVPS as the 1st Farm Recipient from contributions held in a separate account (the “CowPower account”) created with funds received from CVPS retail customers taking service under the Company’s Voluntary Renewable Service Rider for all banked RECs up to the amount necessary to satisfy the REC obligation of the Voluntary Renewable Service Rider. The unit price paid to the 1st Farm Recipient shall be equal to the rate designated in the Voluntary Renewable Service Rider. Banked RECs are certificates that have been issued in a previous quarter, remain uncommitted and have not expired.
 - B) If money remains in the CowPower account and the REC obligation of the Voluntary Renewable Service Rider has not been satisfied, payment shall be made to the farm-producer that has been designated by CVPS as the 1st Farm Recipient from the CowPower account for all current RECs up to the amount necessary to satisfy the REC obligation of the Voluntary Renewable Service Rider. The unit price paid to the 1st Farm Recipient shall be equal to the rate designated in the Voluntary Renewable Service Rider.
 - C) If money remains in the CowPower account and the REC obligation of the Voluntary Renewable Service Rider has not been satisfied, payment shall be made to the farm-producer that has been designated by CVPS as the 2nd Farm Recipient from the CowPower account for all banked RECs up to the amount necessary to satisfy the REC obligation of the Voluntary Renewable Service Rider. The unit price paid to the 2nd Farm Recipient shall be equal to the rate designated in the Voluntary Renewable Service Rider.
 - D) If money remains in the CowPower account and the REC obligation of the Voluntary Renewable Service Rider has not been satisfied, payment shall be made to the farm-producer that has been designated by CVPS as the 2nd Farm Recipient from the CowPower account for all current RECs up to the amount necessary to satisfy the REC obligation of the Voluntary Renewable Service Rider. The unit price paid to the 2nd Farm Recipient shall be equal to the rate designated in the Voluntary Renewable Service Rider.
 - E) If money remains in the CowPower account and the REC obligation of the Voluntary Renewable Service Rider has not been satisfied, payment shall be made to the remaining farm-producers designated as Farm Recipients by

numerical order consistent with the guidelines immediately above.

- F) If the REC obligation of the Voluntary Renewable Service Rider has been satisfied and Farm Recipient banked and/or current RECs remain uncommitted, RECs shall be sold to the NEPOOL GIS marketplace in the largest quantities possible according to the following priorities:
- i) Multiple Farm Recipient RECs shall be bundled to produce lot sizes sufficient to meet commercial transaction requirements. The Company shall endeavor to sell the RECs for the highest price that will complete the transaction. For a bundled transaction, the Farm Recipient with the lowest farm recipient number shall have their RECs paid first. For example, the 1st Farm Recipient may have 27,000 uncommitted RECs while the 2nd farm Recipient may have 12,000 uncommitted RECs. The only commercial transaction may be for the sale of 30,000 RECs. In this example, the 1st Farm Recipient will be paid for 27,000 RECs, while the 2nd Farm Recipient will be paid for 3,000 RECs.
 - ii) If Farm Recipients have uncommitted RECs that cannot be bundled and sold into the NEPOOL GIS marketplace, due to commercial transaction requirements or lack of marketplace interest, the RECs shall be banked, if allowed by the NEPOOL GIS operating rules (Rule 3.7).
 - iii) If Farm Recipients have uncommitted RECs that cannot be bundled and sold into the NEPOOL GIS marketplace, due to commercial transaction requirements or lack of marketplace interest, or any other reason, and the RECs can no longer be banked, the shall expire without any payment due to the farm recipients by CVPS.